

March 31, 2009

Unveiled: Democrat Cap and Tax Proposal

On March 31, Energy & Commerce Committee Chairman Henry Waxman released a discussion draft of legislation that will, according to a press release, “create millions of new clean energy jobs, save consumers hundreds of billions of dollars in energy costs, enhance America’s energy independence, and cut global warming pollution.” ***Really?***

“Create millions of new clean (green) energy jobs”

- According to the recent [study](#) that review the impact of “green jobs in Spain:
- The U.S. can expect 2.2 jobs to be destroyed for every 1 renewable job financed by the government.
- Only 1 in 10 of the jobs actually created through green investment is permanent.
- Since 2000, Spain has spent 753,778 U.S. dollars to create each “green job,” including subsidies of more than \$1,319,783 per wind industry job.

“Save consumers hundreds of billions of dollars in energy costs”

- The draft includes a study to implement a cap and trade system, or more accurately: “cap and tax.”
- According to a study conducted by the Massachusetts of Technology, the total energy bill for the average household will increase by up to \$3,128 per year.
- A cap & tax system would raise costs for American manufacturers, reduce market share, and in turn ship jobs to competitors that are not subject to similar limits on greenhouse gas emissions.
- Obama supporter Warren Buffet agrees, calling cap and tax “pretty regressive.”

“Enhance American energy independence”

- The draft fails to address the need for increased production from the Arctic Coastal Plain, Outer Continental Shelf, oil shale, or nuclear power.
 - 86 billion barrels of oil and 420 trillion cubic feet of natural gas in the OCS. (Budget Committee)
 - 10 billion barrels of oil and 4 trillion cubic feet of natural gas on the Arctic Coastal Plain. (Budget)
 - 19.2 billion barrels of oil and 98 trillion cubic feet of natural gas on other public lands. (Budget)
 - Possibly over 1 trillion barrels of oil in Western oil shale and tar sands. (Budget)
 - If the 33 nuclear reactors currently being held up under bureaucratic delay and obstruction were allowed to come online, it could power 28 million homes. (Wall Street Journal)

“Cut global warming pollution”

- The draft will spend tens of trillions of dollars to remove what amounts to be a very small amount of carbon dioxide that is contained in our atmosphere shown in this [chart](#).
- World wide emission reductions are negligible without full participation.
- According to an analysis of a similar proposal in the in the 110th Congress (S. 2191) by the IER, even if a Kyoto-like treaty is adopted, it would only bring down would global temperatures by eighteen one hundredths of one degree by 2050.